

**FIRST AMENDMENT TO
MANAGEMENT AND LEASING SERVICES AGREEMENT**

THIS FIRST AMENDMENT TO THE MANAGEMENT AND LEASING SERVICES AGREEMENT, made as of the ____ day of _____, 2004, by and between Advantis Real Estate Services Company ("Manager"), and Leon County, a political subdivision of the state of Florida ("County").

WITNESSETH

WHEREAS, on September 1, 2003, County and Manager entered into a Management and Leasing Services Agreement (the "September 1, 2003 Agreement"); and

WHEREAS, County and Manager wish to amend the September 1, 2003 Agreement to incorporate the various revisions and additions as set forth hereinbelow.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, Manager and County hereby agree as follows:

1. Unless revised, replaced, or otherwise modified by the provisions hereinbelow, the September 1, 2003 Agreement shall remain in full force and effect.
2. The September 1, 2003 Agreement and any amendments thereto shall be hereinafter collectively referred to as the "Agreement."
3. The September 1, 2003 Agreement shall be amended as follows (changes to the September 1, 2003 Agreement are indicated in legislative format):
 - a. Section 1., Definitions, shall be supplemented with the following new definitions:

"Annualized Base Rental Rate" shall mean the consideration paid by a Tenant on an annual basis for the right to possess County property, payable per square foot of rentable square feet in the leased space.

"Capital Expenditure" shall mean an improvement (as opposed to a repair) to a fixed asset which shall increase the value or useful life of that asset.

"Lease" or "Lease Agreement" shall mean an agreement whereby the County, as Landlord or Lessor, grants the right of possession to another party, as Tenant or Lessee, for a specified period of time and for a specified consideration. A Lease document outlines the rights and obligations of both the Lessor and Lessee in regards to the Lessee's possession of the Lessor's property.

"Lease Term" shall mean the period of time, as specified in a Lease Agreement, for which a Tenant shall have the right of possession to County property.

"Tenant" shall mean one who has the right of possession of County-owned real property, as provided in a Lease Agreement.

"Tenant Improvements" shall mean any construction work in the leased premises under the coordination of Manager to be undertaken, prior to the commencement date of a Lease, by Manager's contractor, to be paid in whole or in part by County, and planned for completion before Tenant's initial occupancy.

- b. Section 3.2, Specific Authority, shall be supplemented with an additional bulleted paragraph, as follows:

- negotiate Tenant Improvements as part of the leasing process, provided that the cost of any such Tenant Improvements to be paid by County are paid in accordance with this Agreement and Approved Budget in consideration of an upward adjustment to the Annualized Base Rental Rate that may be amortized monthly over the Tenant's Lease Term.

- c. Section 4.8, Capital Improvements, shall be revised and replaced by the following paragraph:

Section 4.8 Capital Improvements. Each Approved Budget shall constitute an authorization for Manager, under the supervision and authority of the County Administrator, to expend money from the Property Operating Account for all improvements provided therein, including approval of expenditures for all capital improvements and Tenant Improvements as set forth in each Approved Budget and under the terms of this Agreement.

- d. Section 4.11, Coordination of Construction and Capital Projects, shall be revised and replaced by the following paragraph:

Section 4.11 Coordination of Construction and Capital Projects. Under the supervision and authority of the County Administrator, Manager shall bid and coordinate construction, Tenant Improvements, and capital improvements projects to the extent of the limitations in the Approved Budget. Unless directed otherwise by the County Administrator, Manager shall negotiate and execute any and all contracts and other agreements necessary for the completion of any such construction, Tenant Improvements, and capital improvements projects subject to the following requirements: (a) that any such contracts or agreements shall be on or in a form approved by the County Attorney's office; (b) that the purchase of Goods, equipment, or services provided for in any such contracts or agreements shall not be an Extraordinary Purchase, and that County shall not be a party to any such contracts or agreements; and (c) that a Lease Agreement, which includes an adjusted Annualized Base Rental Rate to provide County sufficient compensation to pay its share of the cost of any Tenant Improvements, is executed prior to Manager executing any such contract or other agreement for Tenant

Improvements. Manager shall coordinate the progress of each construction, Tenant Improvements, and capital improvements project to reasonably provide for the safety of tenants and guests, and the security and appearance of the job site and building.

- e. Section 4.17(c)(6)(ii), Managing the Property, shall be revised and replaced by the following paragraph:

ii Manager shall institute, supervise, and pay from the Property Operating Account, to the extent of the limitations of the Approved Budget, for Tenant Improvements, for all ordinary repairs, decorations and alterations, including without limitation the administration of a preventative maintenance program for all mechanical, electrical, and plumbing equipment.

- f. Section 7.1, Property Operating Account, shall be revised and replaced by the following:

Section 7.1 Property Operating Account.

(a) Manager shall deposit all rents and other funds collected from the operation of the Property, including any and all advance rents, in a bank approved by County in a separate account for the Property in the name of Advantis Real Estate Services Company, as Agent for Leon County (the "Property Operating Account").

(b) Manager shall provide County with an accounting of any and all costs of Tenant Improvements payable under the terms of this Agreement and in accordance with the Approved Budget, along with sufficient documentation to justify the accounting. Upon County's review of the accounting, County shall identify any costs of Tenant Improvements payable by County. County shall submit payment for such costs to Manager for deposit in the Property Operating Account or determine that current Property Operating Account funds are adequate and appropriate without any additional funding by County. Manager shall then pay such costs of Tenant Improvement out of the Property Operating Account.

(c) The bank shall be informed in writing that the account and funds therein are held in trust for and owned by County. Out of the Property Operating Account, Manager shall pay the operating expenses of the Property and any other payments relative to the Property as required by the terms of this Agreement.

- g. Exhibit "D", Approved Budget, in the September 1, 2003 Agreement shall be revised and replaced by the Approved Budget, dated April 13, 2004 and attached hereto as Attachment 1.

4. This Agreement shall become effective upon full execution hereof by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by their duly authorized officers where applicable and sealed as of the date first above written.

MANAGER:

ADVANTIS REAL ESTATE SERVICES
COMPANY, a Florida corporation

By: _____
Erin Ennis, Managing Director

COUNTY:

LEON COUNTY, a political subdivision of the
state of Florida

By: _____
Jane Sauls, Chairman
Board of County Commissioners

ATTEST:
Bob Inzer, Clerk of the Court,
Leon County, Florida

By: _____

Approved as to Form:
Leon County Attorney's Office

By: _____
Herbert W. A. Thiele, Esq.

Attachment 1: Exhibit "D", Approved Budget, dated April 13, 2004

Attachment #1

Exhibit "D" - Approved Budget, Dated April 13, 2004

Accounting Category (Line Item Budget for the Agreement)		Budget Oct. 1, 2003 - Sept. 30, 2004
Management Fee:		75,000
Personnel Budget (on-site staff's salaries & benefits):		138,492
Operating Budget:		
Utilities		262,166
Repair and Maintenance (subtotals follow):		244,338
R & M Plumbing and Electrical	11,045	
R & M Exterior	10,980	
R & M Interior	150,351	
R & M Parking	1,600	
R & M Fire & Security	6,492	
R & M Elevator	23,102	
R & M HV/AC	40,768	
Office Supplies		17,432
Communications Services		17,415
Professional Services		1,500
Insurance		38,080
Promotional Activities		11,700
Leasing Commissions		30,672
Operating Expenses Subtotal		623,303
Subtotal (9/01/03 & 4/13/04 subtotals)		836,795
Tenant Improvements:		100,000
GRAND TOTAL		936,795